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ABSTRACT

The results of a study of the availability of student financial aid information is presented. Of the 68 independent, proprietary, and public postsecondary institutions in the Boston area eligible to participate in the Office of Education's five student assistance programs--Basic Education Opportunity Grants (BEOG), Supplemental Education Opportunity Grants (SEOG), College Work Study (CWS), National Direct Student Loans (NDSL), and Guaranteed Student Loans (GSL)--only two-thirds replied to a potential student's request for financial aid information. None estimated possible financial aid awards. Few institutions even stated their basic charges. Calculating time, materials, and fees involved, it is estimated that it would cost approximately $6,800 and three to six months time to determine the actual price of attendance (tuition plus fees minus financial aid) at all 68 schools. A summary discusses five major findings and five recommendations, such as providing specific retrospective information on awards to prospective students seeking financial aid. The methodology is described in Appendix A. Twenty pages of exhibits are included as well as a 12-item bibliography. (Author/PHR)

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INFORMATION ON FEDERAL STUDENT ASSISTANCE:

Its Availability, Price, and Other Unfinished Business

Part One: Summary

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

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Determining the actual price of attending a postsecondary educational institution in Boston is an expensive and difficult process. It becomes virtually an impossible task to accomplish with an initial informational request for potential students seeking financial aid. Since student assistance effectively discounts the price of education for the majority of students pursuing postsecondary education, information on student assistance becomes a critical component in the student consumer's decisions to purchase what kind of education, if any, and through which institution.

Of the 68 independent, proprietary, and public universities, colleges, trade and vocational schools in Boston which are eligible to participate in the Office of Education's five student assistance programs,[1] only two-thirds would even reply to a potential student's request for financial aid information. None estimated possible financial aid awards. Therefore none provided the actual price of education at their particular school. Few institutions even stated their basic charges. Most schools failed to mention all the public student assistance programs for which their students were eligible; some failed to mention any. Determining the actual price of attendance (tuition plus fees minus financial aid) at all 68 schools would cost an individual approximately $6,800 and require from three to six months. Obtaining the relevant information from one school would cost an estimated $100.

Thus for all practical purposes, valid, timely and accurate price information is not available from the eligible postsecondary educational institutions in Boston. Four years of college now cost between $10,000 and $20,000 (out-of-pocket expenses plus foregone earnings). However, consumers still lack substantive information on which to base their second most expensive purchase (a house is the largest single consumer purchase). Not only is this situation in the "educational marketplace" inconsistent with the basic principles of consumer protection; it also means that relevant information is not provided about the more than $5 billion of Federal student assistance distributed annually. Given the vague, incomplete and sometimes misleading information which is disseminated by the schools, public policy makers should expect student assistance to have little real impact on the choice by student consumers and parents about whether and at which institution to enroll. Furthermore, if price affects which income levels of students apply and to which schools, the current lack of valid financial aid information is indeed a barrier to access to postsecondary education.

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[1] Basic Education Opportunity Grants (BEOG), Supplemental Education Opportunity Grants (SEOG), College Work Study (CWS), National Direct Student Loans (NDSL), and Guaranteed Student Loans (GSL).

Major Findings

1. Some student aid information is available from the majority of the Boston postsecondary institutions participating in OE-sponsored student assistance programs. However, only 46 (68 percent) of all schools answered the inquiry; 22 (32 percent) did not respond at all. Considering that the participating institutions benefit directly and indirectly from publicly provided student aid, the number of schools responding at all to a request for public information about these public resources seems low indeed.

The independent (private, nonprofit) schools which account for 46 out of the total 68 Boston schools actually studied (a 12 percent error in HEW's eligibility listings reduced the "universe" from the originally contacted 77 to 68 institutions) were the most responsive to the inquiry, and constituted 76 percent of the return mail. The public schools had the poorest showing; they comprised 4 percent of the responses. The proprietary schools merited a fair response rating.

2. In terms of comprehensive coverage, validity, specificity and timeliness, the quality of responses was at best fair. When materials were sent (not all schools responding sent information), the materials failed to answer the tailored request for financial aid information with anything other than general descriptions.

From the potential student's perspective, the materials were also incomplete. Of the 46 schools responding, 33 percent failed to mention the Federal programs for which they were eligible. Forty-two schools, out of 55 from the universe which were eligible to participate in the BEOG program, responded to the inquiry. Of the 42 schools responding, only 23 (55 percent) mentioned the BEOG program. Five of these institutions enclosed a BEOG application. One school warned potential aid recipients they must apply for the BEOG or "forfeit needed aid"; however, this was one of the many schools which neglected to enclose a BEOG form. Of the 46 responding schools, 45 institutions were eligible to participate in the Guaranteed Student Loan Program. Of these eligible schools, only 22 mentioned the loan program. Only half of these in turn identified HELP which administers the loan program in Massachusetts. The campus-based programs, other Federal financial aid programs (for example, Veterans benefits), and the Massachusetts scholarship program received decreasing mentions which were accompanied by virtually no detail about application procedures. Private programs were mentioned by 15 schools. These low figures and lack of detail lead to several possible conclusions, including: poor coordination between Federal and state programs, lack of knowledge in the schools about the range of financial aid sources, and a desire to reserve private funds until after the public monies have been identified.

Information on potential aid awards, tuition, and fees was either not provided in sufficient depth to enable a student consumer to compute the actual price of education, or it was not provided at all. Although not specifically requested, information on tuition, deposits, and fees was provided by only 50 percent of the responding schools. The closest estimate of potential aid awards which a student might receive was provided by the 1975-76 BEOG application form. This Federally produced form estimated that awards for the 1975-76 academic year would range between $50 and $800.

Had the financial aid information been more complete and specific, it would have satisfied the criteria for timeliness. Materials that were forwarded were indeed mailed promptly. However, since the potential student received only general and usually incomplete information and since he or she was frequently referred for additional information back to the school (or even to a high school counselor), the promptness of the responses become irrelevant to the student's decision process.

3. Information on a possible student aid award and actual price of education is obtainable; however, the process for obtaining it is time-consuming, expensive and significantly limits access and choice at the outset of a student consumer's selection of postsecondary education. The process involves (a) application for financial aid, frequently including the BEOG application which is processed free of charge by HEW and a Parent's Confidential Statement (PCS) and/or a Student's Financial Statement (SFS) which are processed for a fee ranging from $3.25 to $4.00; (b) application for admissions to a school with an average application fee of $17.00; and (c) acceptance by the school, which then necessitates an average $75 tuition deposit, half of which is generally refundable. The initial "price tag" for obtaining financial aid information from the first school contacted is an estimated $100. Time expended preparing the applications and opportunity costs incurred waiting for the few schools to reply should be added to the dollar costs. Few students apply to more than four or five schools. The cost in terms of dollars and time outweighs the desire or ability to pay for several applications.

Of the 68 schools responding to the inquiry on financial aid information, one school stated directly that a student must be accepted by the school, and added the oblique statement, "we will then notify you of any financial award." Most institutions ignored the application and admission prerequisites. Others suggested interviews where the student's additional questions would be answered. However, in their written responses, the institutions frequently provided inconsistent or contradictory information (for example, some stated Federal aid was awarded on the basis of merit, others on the basis of need), so interviews may not have yielded more complete, specific, or timely information.

4. Some conclusions about the behavior and operations of Boston postsecondary institutions can be drawn from the study. Heavy-handed recruitment is not apparent. However, the potential availability of student assistance is marketed as an attraction of the school, but without the accompanying detail which would assist the student in selecting a particular institution. The majority of schools surveyed do not employ financial aid officers, or do not involve them in responses to financial aid inquiries, or do combine their functions with those of other administrative staff. Lack of a detailed, current understanding of student assistance seems widespread among the Boston schools. Student assistance is complicated, but if well packaged, can provide significant amounts of funds from different sources, an outcome which benefits student and school alike. Institutions, however, do not even provide information which they have and which would have been extremely useful to a potential student, namely data on previous years' financial aid awards categorized by student income levels.

5. HEW's listings of institutions eligible for the student assistance programs contained a 12 percent error rate; for example, some institutions included had closed, some were incorrectly named. The data were also somewhat out of date and dispersed between different regional and Washington offices. However, the listings contained the most specific information available to me about financial aid awards.

Major Recommendations

1. Institutions should reconsider their public obligation in dispensing public information about public resources from which they benefit directly and indirectly. Schools should assume the responsibility of disseminating comprehensive financial aid information, including copies of necessary forms such as the BEOG application. The tendency to needlessly refer the student should come to an end. State organizations, the 1202 Commission, for example, and educational associations should "compete" with the schools to develop the comprehensive and responsive informational system, because if individual institutions cannot provide the information, some other means must be found to do so.

2. Institutions should provide specific retrospective information on awards to prospective students seeking financial aid. This information, based on previous years' awards according to different levels of income, could be simply presented in table form, for example, so that each student could estimate, if only in rough form, his or her potential financial aid award. Institutions should also state their tuition, fees, and other direct charges. To be useful, such information must be supplied before the individual applies for admission.

3. The price of applying for admissions and for financial aid should be analyzed. If it appears unreasonable, or reasonable and still a problem to the potential student, we ought to rethink it and determine ways this cost--and potential barrier--could be reduced.

4. Research is needed to determine income characteristics and need of the student-aged population, particularly of those potential students who may never apply to a postsecondary institution because the price of applying and of obtaining financial aid information, as well as attending, is perceived as a barrier.

5. Institutions, and financial aid officers in particular, require information themselves on the maze of student assistance programs. They also appear to need training in how to package financial awards. Staff development sessions should include topics such as: appropriations and regulations of current student assistance programs; ways of presenting information on financial aid awarded to their students in previous years; ways of improving coordination with the recruitment and admissions functions; and total price of education at that institution, including fees and living expenses.

Remaining Questions

Several disturbing issues raised by the study deserve attention: if information on financial assistance is not available in a meaningful way to assist in the potential student's selection of postsecondary education, does financial aid "really" exist for that student? Is the lack and general nature of information on student assistance nationally a barrier to access and choice?

Who is eliminated from purchasing education because the cost of obtaining student aid information is too great? Do other financial aid programs experience these problems or, because they may not require needs assessments, do they face other problems? How much of the purchase of education can a student control if his or her choice of and access to certain institutions is limited by the lack of information available on aid and price?

Does eligibility to participate in Federal student assistance programs carry with it for institutions the obligation to provide information on these public resources at least to potential students who request it?

INFORMATION ON FEDERAL STUDENT ASSISTANCE:
Its Availability, Price, and Other Unfinished Business

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March 1976

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INTRODUCTION

Since the Veterans Rehabilitation Act, the Social Security dependents programs and the National Defense Education Act of 1958, the Federal Government has increasingly entered the "student assistance" business. The Higher Education Act of 1965 and its 1972 Amendments significantly expanded Federal investments in postsecondary education and eligibility for participation by institutions and students in the Federal student assistance programs. Currently the Federal budget provides in excess of $5 billion per year to over 8 million students pursuing postsecondary education at some 5,000 institutions.

Debate over the financing of postsecondary education--who should provide how much to whom, and how--likewise has increased, stirring the Congress, schools, education associations and lobbies, banks, government agencies, and students. The debate is often polarized: Federal vs. State, public vs. private schools, higher education vs. vocational training, merit vs. need, loans vs. grants, institution vs. individual student, and low- vs. middle-income student.

Out of this debate has evolved a complex and confusing web of student assistance programs (supporting grants, jobs and loans), authorizations, eligibility criteria, need determination procedures, and delivery systems. The Consortium on Financing Higher Education in its April 1975 report described Federal student assistance as "not a coherent whole but a mosaic of loosely connected programs . . . with multiple inconsistencies."

One critical issue in the well-intentioned maze of Federal student assistance programs is the widespread belief that the Federal Government through its public resources should increase student access to postsecondary education. Lack of money should not prevent a person from purchasing some type of education.

How does a student enter the complex web of grant and loan programs? Does he or she exert control over the informational tools that promote access to postsecondary education? Does the student consumer have the proper information to permit choice of an appropriate variety of institutions?

For a potential student, the price of education at a particular school should matter very much, particularly during the process of deciding which institution or program to attend. The full price of education may be--but not always is--available from data on tuition, fees and living expenses. However, more than half of the postsecondary student population pays less than the full price of education. Student aid in various forms makes up the balance. In fact, financial assistance awards effectively "discount" the price of education. Therefore, information on student assistance should also matter very much to the potential student.

If student assistance affects the price of education for the majority of postsecondary students, then the availability of information on student aid, in an understandable form and at a time when the student is considering a range of school choices, becomes critical to the decision process. The availability, the content, the specificity, the timing--these factors decide the usefulness of student aid information to a student consumer's decision process, and ultimately to the effectiveness of student aid.

To determine if student aid information were available in sufficient detail, during or in advance of the decision process and in a format that enabled the student to compute the approximate price of education at a particular institution, I conducted a study of the student aid information--its dissemination process and its content--available from Boston postsecondary institutions. Writing as a potential student, I asked 77 Boston institutions for information on the financial aid which I might receive from or through each. The methodology for this study appears in Appendix A.

I. CONCLUSIONS, RECOMMENDATIONS, AND OTHER UNFINISHED BUSINESS

Information obviously is one critical link between the student and financial aid, and thereby, to education. We all recognize that "what we don't know about student assistance can't help us." The 1975-76 Basic Educational Opportunity Grant Program Handbook states:

> Access to postsecondary education simply means the ability of a person to pursue training and learning beyond high school. In order to assist in the elimination of financial barriers which prohibit access to postsecondary education and thus career goals, it is necessary that information on possible sources of student assistance be made available to all persons who may benefit.

A. Conclusions

This short study on the availability and price of information on Federal student assistance (I limited my census of Boston schools to those participating in the five major financial aid programs operated out of the Office of Education; see Appendix A, Methodology) must draw the following conclusions.

1. On the Availability of Financial Aid Information

--Information on Federal student assistance programs for the five grant, loan, and jobs programs operated by the Office of Education is inadequate. It is inadequate for two principle reasons. The information is usually general. With perhaps the single exception of the 1975-76 Basic Educational Opportunity Grant (BEOG) application, which states that the grants for that academic year range between $50 and $800, information provided by the schools on the Federal programs cannot be used to make even a rough guess at how much financial assistance a student might be awarded. More disturbing, the dissemination of this information by the schools is uneven and unreliable. Of the 68 schools which met the simple criteria for inclusion in the census (see Appendix A, Methodology) and constituted the revised "universe" in the census, 32 percent ignored my request for information on financial aid. Among the 46 schools which did respond, 33 percent failed to mention which programs they were eligible to participate in. Five schools forwarded the BEOG application form, although 23 institutions out of the 46 had mentioned the program.

--Information on financial assistance is not available with enough specificity, consistency and timeliness to be of any consequential usefulness to the potential student before he or she chooses an educational institution or vocational program. Since a student consumer cannot estimate the amount of financial assistance he is likely to receive, he cannot determine the actual price of the education he purchases. Education may be the only major expenditure the consumer must make without knowing the price.

--Since useful information on financial assistance is unavailable to the potential student before the point of purchase, student aid cannot be an active factor in the student's choice, and therefore student access to postsecondary education may be limited significantly. If information on financial aid does not exist for the potential student in any meaningful way, financial assistance itself cannot either, until after the commitments have been made.

--Because it is general and its dissemination is controlled to a large extent by the institutions, financial aid information becomes more of a marketing instrument to promote the school than a principle tool for the student in choosing education. Because the commodity is public information about public resources, many institutions by withholding or misinterpreting or inadequately providing information on Federal student assistance may not now be meeting their public responsibilities.

--A lack of cooperation and coordination exists between the institutions and financial assistance programs. This inhibits a student's chance for obtaining aid. Most schools did not mention sources of financial assistance other than the five HEW programs. One-third described their own scholarships, and only 12 schools mentioned the state scholarship program.

--The Federal student assistance programs are reasonably complex. Determining student need and packaging financial aid for one individual can be a complicated task. The financial aid officer, or whoever performs the functions of obtaining and packaging Federal (and other) funds, exerts considerable influence over the student, his family, and the institution, particularly over the student and family, who are dependent upon the financial aid officer for maximizing the student's grant and loan amounts. Institutions which cannot afford or find skilled financial aid people may

indirectly jeopardize themselves and their students. As the BEOG handbook points out, determining need and family contribution is more of an art than a science. Possibilities for error and discrimination exist in the current system.

--Two kinds of specific information exist which would enable students to estimate the range of assistance they could expect, but this information is not provided by the school upon initial request, if at all. HEW and the Congress publish historical data on average grant awards and loans (Exhibit IV). Institutions have historical data on both financial assistance awards and income levels of their students. Information on the average awards by general levels of income would be both useful to prospective students and respectful of current students' confidentiality.

--The independent (nonprofit) schools were the most responsive to students inquiring about financial aid. The public schools were the least responsive and provided the overall least germane information. The publics may not care about attracting students, may not command as much financial aid, may not know how to package student assistance awards, or may perceive, perhaps incorrectly, that low tuition is their best marketing asset. I could not substantiate any conclusions on this point.

2. On the Cost of Financial Aid Information

--The cost of obtaining specific information on student assistance is the price of admissions to a particular institution and, often, the cost of applying to a private service to determine need and family contribution levels. Although only one school stated so directly, acceptance at an institution is the necessary prerequisite to determining how much financial assistance a student can expect to receive, and therefore the price of education at that institution.

--The price of admissions at most institutions is high in terms of dollars and time. Eleven schools noted their application fees in their responses to me. The fees ranged from $10 to $35, averaging $17. A tuition deposit between $50 and $100 seemed required to hold the student's place once he or she was accepted. Half of this deposit was usually refundable. Institutions participating in the campus-based programs require the potential student or parents to submit a statement on annual income and expenses to the College Scholarship Service Parents' Confidential Statement (PCS) or Student's Financial Statement (SFS), which is used by the institution to determine family contribution and student need.

The charge for this service is $3.75-4.00 for the first copy and $2.25 for each additional copy mailed to other institutions. The BEOG's applications are processed at the cost to the student of a postage stamp. Based on these and incidental figures, such as paper and transportation, applying to one institution for admissions and for financial assistance could cost $100 and approximately 100 days spent completing the paperwork and waiting. This is the estimated price for information on financial aid and therefore on the price of education at an institution participating in HEW's five student assistance programs.

--Information on the application processes for admissions and financial aid is inadequate, analogous to the situation governing availability of financial aid information. A minority of schools responding mentioned the PCS or SFS; fewer included copies of the statement itself. Instead, institutions referred me to the high school counselor, the College Scholarship Service, or their own admissions office. Many institutions seemed confused about financial assistance, and reported its availability frequently in misleading terms. One-third of the schools suggested interviews to resolve any questions the potential student might have about the school or possibilities for student assistance.

--The cost alone of obtaining information on financial assistance imposes a serious limitation on choice and access to postsecondary education. Because applying for admissions is the prerequisite and this process costs $100 (gross) per application, most students will not seriously consider a range of institutions. Instead, they will limit the first, and very important, step in their decision to a few institutions, including some they may not want but where they feel confident about being accepted.

--The expense of applying for admissions in order to obtain financial assistance information may very likely dissuade many students, especially the lower-income students, from considering anything but low-tuition schools.

--Because we see only the students who can pay the price of financial aid information, and miss those who could not or would not, we do not yet know how well these Federal programs are meeting their goals of increasing access and choice for students at certain income levels.

3. <u>On Recruitment and Competition for Students</u>

--Heavy-handed recruitment is not widespread. None of the schools which responded to my inquiry about financial assistance used unpleasant or illegal tactics. Many were imaginative and some spent money on their

materials. For example, one school sent me an interview appointment and a free parking ticket. Another school mailed four different sets of impressive and informative brochures. The independent and proprietary schools used many ways of competing for students.

--Student assistance makes a strong selling point. It was frequently held out as a distinct likelihood and as a topic requiring further discussion, therefore an interview. In addition to frequent mentions of the benefits of the Boston location and by the vocational schools of enhanced job opportunities for their graduates, institutions used financial aid possibilities as an obvious, and occasionally slightly misleading, drawing card.

--Regardless of the subtle strategies many schools used to recruit students and compete with each other, none used the powerful tool of information on estimated student assistance awards and the actual price of education.

4. On the Status of HEW's Information

--The information collected and used by at least two major HEW Washington offices and regional offices contains errors, duplication, and gaps. Data in the regional offices are not as current as data being collected by the National Center for Education Statistics or on file with the Accreditation and Institutional Eligibility Staff at OE. All may be out of date. Unknown to HEW, one institution claimed eligibility to participate in the BEOG program. Among the 9 schools listed as eligible for only the GSLP and which did not respond, there may be others claiming BEOG eligibility. The HEW regional office, which can investigate institutional eligibility, must have current information on the status of each school's eligibility. Although improvements in HEW's information system appear to be under way, this agency is unlikely to be able to provide relevant information to the public on student assistance on a per school and regular basis.

--The information which HEW does have on average grants and loans is considerably more specific and therefore more useful than the data the institutions currently provide. However, HEW's information is not made available to students in any systematic way. Very likely this is because no one has thought to do so, assuming perhaps that adequate information was available from HEW's brochures and student assistance forms, as well as from the educational institutions.

B. Recommendations

--Institutions should reconsider their obligation to the public to provide public information about public resources from which they benefit directly and indirectly. The referral system must come to an end. Schools should assume the responsibility of disseminating comprehensive financial aid information, including copies of necessary forms such as the BEOG application.

--Institutions should also provide specific information on previous years' awards according to students' different levels of income. This retrospective information could be presented simply in table form, for example, so that each student could estimate, if only in rough form, his potential financial aid award. Institutions should also state their tuition, fees, living expenses and other direct charges. To be useful, such information must be supplied before the point of purchase.

--The price of applying for admissions and for financial aid should be analyzed. If it appears unreasonable, or reasonable and still a problem to the potential student, we ought to rethink it and determine ways of lowering this cost.

--Research is needed to determine income characteristics and need of the potential student population, particularly those who do not apply for postsecondary education because the price of obtainining financial aid as well as the price of education are perceived barriers. Recommendations should be included regarding ways to improve information dissemination to students and potential students.

--Institutions, and financial aid officers in particular, require information themselves on the maze of student assistance programs. They also appear to need training in how to package financial awards. Included in staff development sessions should be topics like: regulations and appropriations of current student assistance programs; ways of calculating financial aid awarded to their students in previous years; ways of improving coordination with the recruitment and admissions functions; and total cost of education at that institution, including fees and living expenses.

--Improved coordination between all financial assistance programs, including maintaining current information on eligible schools and their prices, is an obvious requirement at all levels.

--State organizations, for example the 1202 Commission, and educational associations should "compete" with schools to develop the comprehensive and responsive informational systems, because if the schools cannot produce the information properly, some other means for doing so will have to be found.

C. Other Unfinished Business

Balancing interest and concerns in the educational sector is delicate business. In this paper I have looked at an aspect of student assistance primarily, but not exclusively from the student's perspective. Institutions and government agencies also face legitimate and serious problems such as declining enrollments, the need to predict revenue, and fiscal accountability.

Several disturbing issues raised in the study deserve our best thinking.

- Is the lack and general nature of information on financial assistance nationally a significant barrier to access and choice?
- If information on financial assistance is not available in a meaningful way to assist in the selection of education, does financial aid really exist?
- Who is eliminated from purchasing education at the beginning of the process because the cost of obtaining student assistance information is too great?
- Do other financial aid programs experience these problems or, because they may not require needs assessment, do they confront others?
- How much of the purchase of education to accomplish personal goals can the student control if his or her choice of and access to education is limited?
- Is there an imbalance of power in the purchasing transaction?
- Is the system for dispensing student assistance because of problems with the informational process inequitable?
- Does the lack of financial aid information which can limit access to postsecondary education also, as the BEOG's handbook suggests, limit a person's career goals?
- Does eligibility to participate in Federal student assistance programs carry with it for institutions the obligation to provide information on these public resources at least to potential students who request it?

The census of Boston's eligible postsecondary schools provided many indications that these issues are deep rooted and unanswered. They could indicate problems for the nation as well.

II. PRIMARY ISSUE: IS INFORMATION ON STUDENT ASSISTANCE AVAILABLE AT A TIME AND IN THE FORM TO ASSIST THE POTENTIAL STUDENT PURCHASE EDUCATION?

Second to buying a home, the purchase of education is the largest single financial expenditure an average consumer makes during his lifetime.[1] Considering the opportunity costs and time investment involved, education must indeed be viewed as a very significant expense. When selecting a school or program, obviously a student considers many factors such as course offerings and faculty. Price, also, is a primary ingredient in his decision.

With few exceptions consumers want to know the price of goods or services before they make a purchase. However, despite its significance as a purchase and despite traditional marketplace practices of displaying prices, the price of postsecondary education may not be readily available to many--most--of its consumers. In fact, postsecondary education may be the only merit or private good or service whose "price tag" is not clearly visible or even calculable before purchase.[2]

In order to find out if the actual price of education is available to potential students, what the process and cost are for obtaining this information, and what role financial aid plays in establishing the price of education, I conducted a census of the 77 diverse postsecondary institutions in Boston which the Department of Health, Education and Welfare has determined are eligible to participate in the major financial support programs operated by the Office of Education. (This study's methodology is described in Appendix A.)

The results of this informal study indicate that information on the actual price of education is not available to the potential student in need of some financial aid until after he has been admitted to the school, that the process which the student must follow to obtain price information on grants and loans is in itself long and costly, and that financial aid, while generally of great benefit while the student is enrolled, is a major unknown factor and therefore a major constraint in determining price. The amount of student assistance and therefore the price of education consequently cannot help the student consumer at the point of purchase.

A. General Summary of Responses

As a result of the 77 letters mailed on November 24, 1975, to the eligible schools, the "universe" was narrowed to 68 schools. Official lists from the Office of Education of schools eligible to participate in the Guaranteed Student Loan Program, the Basic Educational Opportunity Grants, and campus-based programs, and the nursing grant and loan programs contained errors on 9 out of the 77 schools, a 12 percent rate of error (see Appendix A, Methodology).

Of the 68 schools which comprised the revised universe, a significant majority (46 schools, or 68 percent) is independent (nonprofit). Fifteen (22 percent) are proprietary, and 7 (10 percent) are public institutions. Approximately 68 percent of the universe responded with at least minimal information on financial aid; 32 percent did not respond. The great majority of eligible schools in Boston are independent institutions. The independents were also the most responsive to the inquiry on financial aid information. The proprietary schools scored fairly evenly in terms of response and no-response rates; 20 percent of all responses came from proprietaries whereas 27 percent of the no-response category was from proprietary schools. The same data for the public institutions were strangely unbalanced; only 4 percent of all schools responding constituted public schools, and 23 percent of the no-response category was public institutions. Both in quantity and in responsiveness, therefore, the independent institutions scored highest, and the public schools had the worst showing (see Exhibit II).

The timing of responses was surprisingly prompt. During the first week following the November 24 mailing, 62 percent of the total responses had been received. The number jumped to 86 percent by the end of the second week (Exhibit III).

B. Who Pays the Price of Education?

The question of "who pays for education" was addressed directly by 2 out of the 45 responding institutions. This evasion could reflect the continuing debate over the financing of postsecondary education. Despite assumptions that the institutions, the Federal government (the taxpayers), and the student share the cost of education, the present Federal philosophy and financial aid brochures underscore that the student and his family--except for the most needy--bear the major financial responsibility

for the purchase of education. One of the 2 schools acknowledging this position stated in its brochure:

> In determining the student's financial need, the Committee on Financial Aid takes into account the financial support which may be expected from the income, assets, and other resources of the parents and the student. The family of a student is expected to make a maximum effort to assist the student with educational expenses and assistance from the School and other sources should be viewed only as supplementary to the efforts of the family.[3]

Evasion of the question "who pays" suggests, furthermore, that the schools are following, and the public is accepting, the marketing strategy which emphasizes the availability of financial aid and downplays the fact that the vast majority of students or their families pays the largest portion of the purchase price.

C. What is the Price?

The actual price of education is far more difficult to determine than "who pays." Only half of the schools (33 institutions) responding to the inquiry on financial aid included tuition costs. This 50 percent also provided data on certain fees (many similar to entrance and exit taxes imposed on foreign travelers). Only 26 percent mentioned application fees. One school provided unusually helpful information; in addition to citing tuition and fees, this school estimated average yearly living costs for commuting students "living at home with their parents" and for students residing in the dormitory. The same school also suggested a basic budget, including books, supplies, and personal expenses.[4] In contrast, another institution presented confusing information and stated its tuition in two ways--according to the total number of hours required by the Commonwealth of Massachusetts (presumably to be certified), and according to class-weeks. The price per total number of hours was slightly less than the price per class-week.[5]

Even if a potential student could determine the tuition, fees, and expenses of attending a particular institution, should that student need any type of grant or loan, he could not determine the actual price to him or her in time to use this information to choose a school. The student consumer's purchase of education must be made, if financial aid is involved (and it is for over half of the current enrollment in postsecondary education), without knowledge of the price of education. Although the institutions could provide some information on estimated financial awards, based

on last year's awards or on average award data from the Congress or HEW, not one institution responding to this study's inquiry provided anything but general data.

D. Information on Financial Aid Provided by Eligible Schools

What did the personal letters and pamphlets, form letters and brochures, tell the student faced with the choice of education?

This study determined that most schools either do not employ financial aid officers or do not use them in the initial recruitment. Of the 68 eligible schools in the census, 16 reported to the National Center for Education Statistics that they do not have financial aid officers. This category includes "prestigious" independent colleges, public institutions, and small vocational schools. Thirteen institutions specifically reported that they do employ financial aid officers, and again this category includes all three types of schools. Data for the majority of schools on this point was not available. Because my inquiry was addressed specifically to the financial aid officer and because the great majority of personal and form letters were signed by someone other than the financial aid officer, usually the Director of Admissions, it is likely that a minority of the eligible Boston schools has a person whose primary and official function is to serve as financial aid officer.

This seems a bit surprising because the financial aid "business" is complex and time consuming. An astute financial aid officer may be able to negotiate larger amounts of funds for his institution's campus-based programs and to assist deserving students increase their financial support. HEW appears to assume most institutions have a financial aid staff. In its fact sheet on "Five Financial Aid Programs," HEW advises students to ". . . get in touch with the financial aid officer at your school. He can provide your best information about student assistance at the school he represents."[6]

Several schools which are eligible to participate in the HEW financial assistance programs did not pass on simple and important information regarding their eligibility to the potential student. Out of the 46 schools responding to my inquiry, 15 did not mention the specific programs for which they are eligible. Eight of these institutions are independent schools, 5 are proprietary, and only 2 are public. Four of the institutions which did identify their eligibility sent the HEW fact sheet on financial aid programs. Certain others sent what appeared to be packaged information

published by their accrediting associations. The HEW publication was the pamphlet most frequently (4 times) distributed for general purposes.

Twelve schools referred the potential student to some other institution, such as a bank, for additional information on financial aid, or asked the student to write the school again if additional information would be useful. These 12 schools initially provided only minimum information, so a second inquiry would have been necessary.

Approximately one-third of the 46 schools responding suggested or urged a personal interview. Frequently this suggestion was made in connection with some mention of financial aid. For example, one school wrote:

> Finances should not be a major concern to you at this time. There are many programs available, and I would certainly welcome the opportunity to discuss these with you and show you how all of these can be accomplished. The best thing would be if you could visit the college in the near future, and we could have a full discussion of all these matters.[7]

Although the majority of schools responding to my request for information did state their eligibility for OE programs, a surprisingly small minority actually sent forms which they mentioned would be necessary when applying for financial aid. Only 5 institutions included the BEOG application, and one single school provided the NDSL form. None sent the GSLP application, although 10 institutions sent information on the Higher Education Loan Program which coordinates the GSLP in Massachusetts.

Basic Grants was the program most frequently mentioned as being available to students at a particular institution. Twenty-three schools provided some information on the application process for BEOG's, including the 5 which sent the actual application form. Two schools went further than simply urging students to apply for a basic grant. One institution stated that, "All students applying for financial assistance at Berklee are expected to also submit an application for the government's Basic Educational Opportunity Grant."[8] The other school's brochure warned, in print set apart from other instructions:

> REMEMBER that aid recipients are required to apply for the BEOG and that his or her award from the College becomes final only after the student submits to the College the Official Report which Basic Grant Office sends to the student notifying him or her of eligibility. If you fail to apply, you may forfeit needed aid as the College cannot afford to use its limited funds to replace awards for which you are eligible.[9]

This school was one of many which did not forward a BEOG application.

The GSLP was the second most commonly mentioned source of financial aid. However, most institutions did not think explaining this loan program was important. Less than half stated the difference between loans and grants. Approximately 10 mentioned that in Massachusetts the GSLP is operated by the Higher Education Loan Program (HELP). One institution described the maximum total loan amount permitted in terms that incorrectly suggested this maximum was a "per loan" maximum. One school which provided the most complete overall package of information on its programs highly endorsed loans. To the question, "Why is taking a loan advisable?" the brochure responded:

> Frankly, the answer to this question is a matter of mature business sense and economic practice. Today the acquisition of a home or automobile or any other major asset is often made possible only through the help of a loan, which can be repaid in convenient installments out of future income.[10]

The campus-based programs followed the BEOG and GSLP in number of times some explanation of them was provided. College Work Study (CWS) received approximately 21 mentions, Supplemental Educational Opportunity Grants (SEOG) had 18, and National Direct Student Loan (NDSL) received 15. The independent schools appeared to be most knowledgeable about these three programs.

However, the conclusion that most institutions were able or willing to provide consistent and comprehensive information on one or more of these programs simply cannot be made. Likewise, they provided little data on other Federal sources of financial aid, such as Veterans benefits and Social Security dependents payments. Eighteen institutions mentioned other Federal financial aid. An additional 6 schools described the Federal nursing grant and loan program.

Only 12 schools described the scholarship program operated by the Commonwealth, and 3 enclosed application forms. This small figure suggests poor coordination between the Boston schools and the Massachusetts Scholarship Program.

One-third of the institutions described their own financial aid programs. Most of these schools are private institutions, to be sure, but some of the proprietaries have small scholarship programs, too. This count (15 schools) appears very low. In fact, it suggests that institutions generally wait until the Federal money is allotted before using their own closely controlled funds to assist students.

Ten schools mentioned private scholarships and private sources of financial aid. This information was scanty indeed, consisting usually of a list of names with addresses, and rarely mentioning dollar amounts.

Two variations on the theme of financial aid information came from an independent school of nursing, which recommended a pamphlet on financial aid called FACTS, and a proprietary secretarial institution which "strongly suggest(s)" that a service called Fund-Finders, costing $10, be subscribed to. Fund-Finder, subtitled Dollars for Scholars, is a nonprofit program which advertises it will provide a listing of from 10 to 25 loans and scholarships for which a particular student qualifies, and information on how to apply for them. Through its parent organization (Citizens Scholarships of America), a member of the College Entrance Examination Board and the College Scholarship Service, Fund-Finder apparently has been helping students for 17 years obtain information of the specific nature I sought directly from the Boston institutions.

Instead of answering my inquiry, "what financial aid would be available to me from your school," most responding institutions provided pieces of more or less relevant information. Frequently this information appeared to be presented subtly, or not so subtly, as a marketing device. Citing just a few of these examples will show the range of information provided in place of the answer to my question.

Holding out the prospect of financial aid as an incentive to visit the school has been mentioned. Several health professional and cosmetology schools included in their materials a paragraph on foreign students attending their institutions. The brochures of two proprietary schools plainly displayed that they were accredited by a national organization. Approximately one-fourth of the responding schools stressed that their graduates obtained high-paying jobs in pleasant environments, and many of these schools named graduates and firms employing graduates. These institutions were vocational schools of independent or proprietary status.

Three schools indicated that their programs had been transferred to other institutions in the area. One of these schools referred my inquiry to the appropriate institution; the other two simply informed me of the transfer with terse statements.

An unusual response on financial aid came from an independent health professional school which replied that the Federal financial aid for

education was available only to their employees. One public college replied, "We received your letter requesting Financial Aid forms. Office policy does not allow us to send these forms through the mail."[11] On the contrary, the Federal forms are produced by the Government and should be available to the public.

E. What Happened to the Question?

From the first part of the census, it became clear that obtaining information on sources of financial aid was difficult and that determining at least an estimated amount a student needing financial aid could conceivably be awarded was simply not possible. Some information and many implications indicated that once the student is accepted for admission to an institution, the institution can tell him how much financial aid he can expect to receive. However, since this information is available only after the purchase of education and since the financial aid award affects the actual price of education, under the present system it is impossible to determine the actual price of education before or at the point of purchase.

One factor could alter this process considerably for the educational consumer. Institutions know from previous years what their educational programs cost, what scholarship money they may have available to them, if any, from their own resources, and, most importantly, what the average Federal and State grants and loans have been for their students. Since they must assess need for many of these awards, institutions undoubtedly know the income levels of their students and families. If schools provided prospective students with retrospective information on past average financial aid support according to student income categories, the potential student would have some guidelines with which to determine the price of education at that institution. Supplying data on average awards for categories of incomes would not, it seems to me, violate any confidential agreements, and if described exactly for what it is--information on average awards for one or several previous years--the prospective student and family could calculate a range of probable financial support.

Even if institutions were unwilling to provide retrospective data, they could provide the publicly available data from the Congress on minimum, maximum, and average grants and loans for FY 1976 (Exhibit IV).[12] HEW's Basic Grant application for the 1975-76 academic year estimated that the BEOG awards would range between $50 and $800. Even this information,

available to the institutions, would be helpful to the student consumer. Instead, most institutions cited the maximum BEOG authorized ($1,400) which to date has never been awarded.

What institutions do provide, if they respond at all to a request for information on financial aid, is a diverse range of serious descriptions, policy statements, and promotional appeals. This information includes some cost figures, some mention of Federal financial aid programs, less substance on their own or State scholarship programs, and few specific forms or instructions on how to obtain financial aid information and therefore the price of education at their institutions.

Ultimately, a most disturbing question emerges. If information on financial aid does not exist at a time and in enough detail to enable the educational consumer to determine the price of his purchase, then is financial aid accomplishing its primary goals of stimulating access and choice? In fact, does financial aid really exist in a meaningful way for the potential student seeking education?

III. PRIMARY ISSUE: WHAT DOES IT COST TO OBTAIN INFORMATION ON THE PRICE OF EDUCATION?

After the potential student initiates the search for information on financial aid, the institution has the action. It may or may not respond. In this study 68 percent of the eligible schools responded to my inquiry.

If the consumer inquiry elicits no response, the student can try to contact the school again or eliminate that school from among his choices. If the school responds, the student, as we have seen, is faced with several additional steps in the process of determining how much financial aid he might receive and therefore how much his education is likely to cost. This process in itself is expensive, primarily in terms of application and testing fees and in terms of time. Because of its cost, this process essentially limits both choice and access a student has to postsecondary education.

A. The Application Process

Only one institution of the 46 which responded was clear and direct about what the first step must be in applying for financial aid. This school wrote:

> Before being considered for financial aid at the Conservatory, you must have been accepted for admission. Your first step, then, is to apply for formal admission. Should you be accepted, we will then notify you of any financial award. The aid we offer may be in the form of College Work Study, scholarships, or loans.[13]

Although this response was singularly unhelpful about the admissions and financial aid application process, it left no doubt that the first step is admission and that the student must initiate the first step.

Other institutions were more evasive and suggested interviews, as was documented earlier, as a means not only of applying for admission but also of continuing the search for financial aid. Interviews, of course, cost money and time. Some of the institutions suggesting interviews may have planned during the direct conversation to inform the potential student of his specific opportunities for financial aid and to provide estimates on the amount he might receive, based on that institution's data on previous awards. In such a case, an interview would have resulted in a fairly tailored response to the potential student's specific question.

My assumption is, however, that interviews generally would accomplish two other purposes: to let the potential student and the institution evaluate each other, and to provide the information that admission is the first step in determining the amount of financial aid a student receives. As noted before, the latter information can be provided in a letter.

A majority of institutions likewise failed to indicate that the actual application process for financial aid also begins with the student. Although the institution is required by law to determine student needs for financial assistance, the process of needs assessment in most cases begins with the parents or the student who must obtain and complete a BEOG application, or a Parents' Confidential Statement (PCS), or a Student's Financial Statement (SFS). These forms request income and expenses information as reported to the Internal Revenue service and were expanded by HEW to include Social Security and Veterans benefits. The student or parents submit the PCS or SFS to the College Entrance Examination Board's College Scholarship Service which analyzes the data and mails its analysis and the form to the student's choice of institutions or programs.

Only a minority of schools responding to my request for financial aid information mentioned the PCS or SFS. With two exceptions, these were independent institutions. Although these schools generally mentioned the PCS and SFS, only 22 forms were included in their responses. Some schools sent both forms, some sent one, some sent the forms with no explanations. This service is of course a private service which no institution need recommend, but it is widespread and increasingly used to determine need and the family contribution. Its cost accrues to the student.

Applying for a BEOG, when the forms are made available, is a more direct process. The application form requests basic income and expense information as reported to the IRS and expanded by HEW to include certain real property and Veterans benefits. HEW, through a contractor, processes this information and determines a student's Student Eligibility Report (SER), which it sends to the student. The student then submits his SER to the institutions to which he applies for admission and financial aid.

Five BEOG application forms were received from the 23 schools which mentioned this program, out of the 42 schools which are eligible to participate in BEOGs and which responded to the inquiry.

Forms and instructions for students possibly qualifying for other Federal, State, or private aid, including institutional scholarships, were scattered among the responses.

No school received high marks on the actual information it provided to enable the potential student to apply for admissions, for the needs assessment process, and for the basic grants. Some information provided by the institutions was misleading. For example, one independent institution requires a PCS be submitted to the College Scholarship Service (College Entrance Examination Board). It does not mention the alternative, the Student's Financial Statement. It states that the PCS is "the only form necessary to apply for all types of financial assistance administered by . . ."[14] It fails to mention the BEOG and GSL programs, which of course are not campus-based but are available to that school's student population. And it neglects other types of aid and forms, such as the State scholarships and National Direct Student Loan forms.

B. The Cost of Financial Aid Information

Money, time, paper, transportation, and opportunity figure directly into the cost of obtaining information on financial aid in order to determine the price of postsecondary education for most students. Many of these items do not have easily identifiable prices associated with them for several reasons. The cost of financial aid information varies with the institution's costs and with the individual's personal criteria. For example, a potential student may wish to travel to visit the school. Other prices are difficult to determine because the school may not reveal their existence, such as the processing fee for the needs assessment by the College Scholarship Service or the basic fee charged to apply.

To obtain a very rough estimate of the cost to a potential student solely to apply for admission in order to obtain an estimate of the amount of financial aid, I used only the information available from the census and calculated two "best guesses" for different students seeking financial aid at different institutions.

TABLE I

Student A applies to five independent schools which are eligible for the HEW financial aid programs.*

	Dollars	Time
PCS analysis		
1st copy @ $4.00 4 copies @ $2.25	$13	3 days (parents) 30 days (CSS)
Application Fees**		
5 @ $17.00	$85	30 days (student)
Transcripts from high school and references		
5 transcripts @ $1	$ 5	30 days (student)
Postage and paper	$10	60 days (estimated to decide admissions)
Subtotal	$113	
Tuition deposits due immediately***		
5 @ $75	$375	30 days (estimated to decide on, or negotiate with banks for, grants and loans)
TOTAL	$488	183 days (6 months)

Table 1, continued

Student B applies to two schools, one of which is eligible for all five HEW programs, the other of which is eligible for only the GSLP. *

		Dollars	Time
SFS analysis			
1 copy @ $3.75		$3.75	3 days (student) 30 days (CSS)
Application fee**			
2 @ $17.00		$34.00	12 days (student)
Statements from high school and references			
2 @ $1		$2.00	20 days (student)
Postage and paper		$4.00	
	Subtotal	$43.75	
Tuition deposits due immediately***			
2 @ $75		$150.00	30 days (estimated to decide admissions)
	TOTAL	$193.75	125 days (4.5 months)

*The only charge for processing the BEOG application is the cost of a postage stamp.

**Based on the average fee figured from the 11 institutions which reported application fees, ranging from $10 to $35.

***Based on the average fee reported by 12 institutions. Between 50 and 100 percent may be refundable.

Based on these estimates, the price of financial aid information to a student applying to one independent institution might be approximately $100 and 100 days in working and waiting.

The potential cash outlay to "purchase" information on financial aid, however it is calculated, is indeed considerable. These expenses--when added to the tuition, other fees, and living expenses--could initially discourage lower-income students from applying to the higher-priced institutions.

With the exception of the BEOG program, the needs assessment system--for all its benefits--in fact seems expensive, time consuming, and perhaps overly usbjective. One school, perhaps illegally, required a certified copy of the tax form 1040 to substantiate the PCS.

What most schools did instead of explaining needs assessment resulted in confusion and in some cases misleading information. Several independent schools reported that financial aid was awarded on the basis of "need and merit."[15] HEW's literature rarely mentions academic promise or merit, but instead cites financial need. One proprietary school reported it provided financial aid because it was approved by HEW. The majority stated they made financial aid decisions on the basis of demonstrated financial need determined from the PCS, SFS, or their own internal procedures.

One effect of the high cost solely to apply for admission and for financial aid is to limit substantially the number of schools to which a student will apply, thereby seriously limiting the choice and access to post-secondary education.

IV. SECONDARY ISSUE: DOES AN INQUIRY FROM A POTENTIAL STUDENT STIMULATE COMPETITION FOR THE STUDENT?

Although a request for information about financial aid is not a show of positive interest in attending a particular institution, the request did trigger a recruitment effort. However, contrary to what I anticipated, the pressure to select a school was minimal and the pressure to consider applying was moderate.

The first clue that some of the general impressions that educational recruitment is a cut-throat business were wrong came from the response rate to my inquiry--22 schools out of 68 did not bother to answer.

One approach to competing for students, discussed already in some detail, is to play down the cost and stress the availability of financial aid.

Another is to encourage interviews to discuss financial aid and other matters, and certainly to encourage the student to get nearer the school. One institution, writing in "understanding" terms, suggested an interview because the catalog is "impersonal and cannot present the full picture of the school." This institution had in fact developed attractive, expensive-looking, and informative brochures. Those 10 institutions which produced expensive brochures presumably passed this cost on to consumers.[16] Other institutions encouraged interviews by suggesting I call for an appointment and by enclosing stamped self-addressed cards with my choice of time.

In two cases (both proprietary schools) a spokesperson telephoned me at home, although I had not provided my telephone number in the letter I sent. Each pleasantly asked if I had questions about the school and if they could schedule me for an interview. One institution mailed me an appointment date accompanied by a free parking ticket for a garage near the school (Exhibit V).[17]

A third, and still inexpensive and fairly low-keyed, means of attracting potential students to a particular institution is to write several times. Three schools responded twice, two responded three times, and one sent four mailings. Ten schools wrote informal letters, addressing me as "Dear Sandra."

In all, those institutions which responded did so promptly and pleasantly. The tone of their materials, the number of times some schools responded, and the imagination used to make it easy for me to be interested in them amounted to generally positive communications.

The public institutions were the least responsive, suggesting that the publics do not feel the competition for students other schools face. Because of their low tuitions, they may not feel it is worth their while to respond to a request for information on financial aid.

Whatever the schools reported and in however a pleasant manner, none answered in any specific terms the request for information on financial aid available to a student such as I described in the letter.

V. SECONDARY ISSUE: CAN HEW'S INFORMATION ON SCHOOLS AND FINANCIAL AID BE A RESOURCE TO STUDENTS PURCHASING EDUCATION?

Throughout the entangled debates over financing postsecondary education, the majority opinion is that the student should be in closest contact with the institution. The Federal Government should provide financial assistance, but directly only under selected programs. More recently HEW and now the Congress have argued that if the Federal Government is going to provide funds it must also assure the proper use of those funds.

The principle conclusion of this short study is that institutions are not providing information, even rough estimates, regarding possible financial aid awards in time to assist a student to determine the price of his purchase. By contrast, HEW seems to be more able, or willing, than the institutions to provide data on average awards. This may be deliberate or by mistake; it is not systematic.

In view of its provision of funds and the institutions' reluctance to supply pertinent information, the Federal Government may be evolving a new and necessary role--that of starting to close the information gap on financial aid. With more and qualitatively better information disseminated before the point of purchase, more students could make better use of the financial aid that is available and probably make the most appropriate selection of schools.

However, HEW's information and information system in its present form cannot dispense the accurate and current information needed. Its lists of eligible schools in Boston alone contain a 12 percent error rate. The Boston HEW staff has no sure way of knowing when Washington determines eligiblity for a school or revokes it. The schools are "supposed" to let the Boston office know their status.

Duplication without coordination is also fairly obvious. At least two Washington HEW offices collect basically the same information on the same schools. Their genuine attempts to share information after it is collected nevertheless are undependable. Their duplicated efforts appear to "pester" the same schools for the same information. Coordination between the Federal and State offices seems to work poorly.

For whatever reasons--limited resources, poor communication, etc.--the information on the status and characteristics of schools, not the least of which is their eligibility to participate in Federal financial aid programs, is insufficient. The potential student could well benefit from improved information on financial aid, disseminated more efficiently at the time when he is considering postsecondary education. This suggests a new role for the centralized agency financially accountable for student assistance.

Whether by a government agency or a private organization, or combinations of both, information on financial aid should be provided. In fact, since Federal financial aid programs are publicly supported the educational consumer may have a <u>right</u> to information on these public resources, and a right which can justifiably be exercised before the purchase of education.

FOOTNOTES

1. Office of Consumer Affairs, Washington, D.C.

2. Over one-half of [illegible] postsecondary student enrollment receives financial assistance. Actual figures on financial aid awards are not available in part because national data collection and updating do not exist. Financial aid from Federal, State, institutional and private sources is determined on the basis of student need and judgment by the institution. We really do not know who, at what income levels and from what sources, receives financial assistance.

3. Massachusetts General Hospital, School of Nursing.

4. Grahm Junior College.

5. Wilfred Academy of Hair and Beauty Culture.

6. DHEW Publication No. (OE) 75-17907.

7. Bay State Junior College of Business.

8. Berklee College of Music.

9. Grahm Junior College.

10. Katherine Gibbs School

11. Boston State College.

12. "Federal Student Aid Programs Focused on Undergraduates," prepared by appropriate agencies for the House Subcommittee on Postsecondary Education, September 1975.

13. New England Conservatory of Music.

14. Northeastern University.

15. Wheelock College.

16. I have tried, unsuccessfully, to determine for over a year what portion of the educational dollar goes for advertising, marketing and recruiting. This seems to me to be a useful piece of information.

17. Northeast Institute of Industrial Technology.

APPENDIX A

METHODOLOGY

The basis for this short study on financial aid information is a census of one category of postsecondary institutions located, according to the Department of Health, Education, and Welfare's Region I Office (covering New England), in the City of Boston. Schools were selected on the basis of three criteria: the Boston location; their status as an independent (nonprofit), proprietary or public postsecondary institution offering undergraduate programs; and their listing by the HEW Regional Office as being eligible in FY 1976 to participate in the following Federal financial assistance programs administered by the Office of Education: Basic Educational Opportunity Grants (BEOG), Supplemental Educational Opportunity Grants (SEOG), College Work Study (CWS), National Direct Student Loan (NDSL), and the Guaranteed Student Loan (GSL). Institutions approved for other Federal student assistance, such as Veterans education benefits, are included in the census if they meet the three primary criteria.

Seventy-seven schools met the criteria and therefore constituted the starting point. Included in the original 77 were universities, colleges, vocational schools, religious affiliated institutions, health professionals schools and cosmetology academies. Of these, approximately 68 percent was of independent status, 22 percent was proprietary and 10 percent was public.

A form letter was developed, requesting information on financial aid that might be available to a potential student who perceived that without some assistance she could not afford postsecondary education. The inquiry was addressed to the financial aid officer at each institution with the name and address listed by the HEW Regional Office. A copy of this letter is attached. The letter simulates a fairly typical consumer request. Had I written the letter in my role as a HEW official (on leave for academic study), I would not have received impartial information, I judged. I therefore wrote as an "ordinary" consumer and potential student. The wording of the letter is intended to convey the potential student's concern about the price of education and enough personal information to give the receiving institution some idea of the student's financial status. The letter strongly implies that the availability or lack of financial aid, affecting the real price of education, will be a critical factor in the student's choice of institutions, and therefore, that information on the amount of student assistance--if only the average or estimated amount--is a necessary ingredient of that purchasing decision.

On November 24, 1975, the letter was mailed out to the 77 schools. I allowed a time period for the census of 29 mail-delivery days between November 26 and December 31, 1975.

The purposes for using the HEW listings were primarily to identify the population for the census, and secondarily, to determine if there were inconsistencies in HEW's data. (Inconsistencies or errors were found and have been reported to HEW.)

A master list of the schools was developed from secondary source data (Exhibit I). As responses from the schools were received, the correspondence was numbered and dated. The school's legal status and eligibility were checked

against the data from the master chart. Letters, brochures, and materials sent by schools were analyzed to determine the timing and content of the institutional response to the student consumer's inquiry about financial aid.

Several errors required revision of the "universe" of schools in the study. Nine responses to the 77 initial letters indicated that HEW's listings were out-of-date or inaccurate. One school responded that it did not have the medical technical program which the GSL listing indicated it was operating. Three health professionals programs had been transferred from the schools listed by HEW to other schools in the Boston area. Two inquiries were returned because of incorrect addresses, taken from the HEW information. Two schools' names had been incorrectly stated by HEW. One school had closed.

The revised universe of schools for study therefore dropped to 68. Of these, 46 schools responded, providing some type of information but not always related to my question. Twenty-two schools did not respond at all. While noting the 12 percent error in the HEW data, I used the revised universe as the basis of my analysis.

The fact that the inquiry was a form letter, asking only about financial aid, and the fact that the writer obviously was a woman might have dissuaded some schools from responding. Some of the technical schools may have determined their response would be a waste of time because, for example, they may not have women in their courses. Three schools could conceivably be included in this category. On the other hand, ten health professional schools, business colleges, and secretarial schools, many of which are female-oriented, also did not respond. Several schools included information about Veterans benefits. Therefore, I have discounted the possibility that a form letter from a woman had any significant influence on the schools which did not respond.

Three schools responded twice, two responded three times and one sent four different sets of materials. Two representatives from two proprietary schools telephoned me at home although I had not provided my telephone number in the letter.

The primary criteria used in assessing the quality of the information were whether the information provided by the school would help a potential student determine the price of education at a certain institution and if that information would be available when the student consumer could use that information, namely, at or before the point of purchase. The institutional responses revealed many other aspects of the material provided, some questionable, some fascinating. They are summarized in this short study.

32 Shepard Street
Apartment # 42
Cambridge, Mass 02138

November 20, 1975

Dear Sir:

I have been considering going to college since I graduated from high school in 1973. My main concern has been money, although the school counselor told me that I could qualify for student assistance because I did well in school.

I am now working almost fulltime as a clerk in a job which pays me $3.00 an hour. The store would probably not employ me if I went back to school, but I feel sure I could earn part of the tuition. I have managed to save about $500 since I began living away from home almost two years ago, but as you can see that's not enough to meet your school's costs for very long.

Will you please send me information on what money you might have to help support students? My school counselor suggested I ask about all kinds of assistance programs.

Thank you for your attention. I look forward to hearing from you very soon. I plan to make a decision at Christmas.

Sincerely yours,

(ms) Sandra Willett

EXHIBIT I

Selected Characteristics of Postsecondary

Institutions Included in the Study

Exhibit I. Selected Characteristics of Postsecondary Institutions Included in the Study.

Institution	Control and Nature	Enrollment	Published Tuition and Fees ($)	Eligible for Selected Federal Grants/Loans	Published Financial Aid Officers
1. Art Institute of Boston	ind. college	404	4,050	BEOG, GSL	NA
2. Bay State Junior College of Business	ind. college	113-287	1,475	BEOG, GSL	no
3. Berklee College of Music	ind. college	1,660	2,050	BEOG, GSL	no
4. Beth Israel Hospital School of Radiologic Technology (transf.)	ind. tech.	NA	NA	BEOG, GSL	NA
5. Beth Israel School of Dental Assistants	ind. tech.	20	1,350	BEOG, GSL	NA
6. Boston Architectural Center (closed)	ind. college	NA	NA	BEOG, GSL	NA
7. Boston City Hospital School of Nursing	public college	229	NA	BEOG, GSL	NA
8. Boston City Hospital School of Practical Nursing	public tech.	NA	NA	BEOG, GSL	NA
9. Boston City Hospital School of X-Ray Technology (transf.)	public tech.	NA	NA	GSL	NA
10. Boston Conservatory of Music	ind. college	543	2,060	BEOG, GSL	no
11. Boston State College	public college	10,000[a]	389	BEOG, GSL	no
12. Boston Trade High School for Girls	public tech.	NA	NA	GSL	NA
13. Boston University	ind. college	23,581[a]	2,890	BEOG, GSL	yes
14. Boston University School of Nursing	ind. college	702	NA	Nursing Loan Program	NA
15. Boston University Sargent College	ind. college	NA	NA	GSL	NA

Institution	Control and Nature	Enrollment	Published Tuition and Fees ($)	Eligible for Selected Federal Grants/Loans	Published Financial Aid Officers
16. Boston VA Hospital School of Medical Technology	public tech.	NA	NA	GSL	NA
17. Boston VA Hospital School of Radiologic Technology	public tech.	NA	NA	GSL	NA
18. Bryant and Stratton Commercial School	prop. tech.	303-408	1,890	BEOG, GSL	yes
19. Burdett School	prop. tech.	113	NA	BEOG, GSL	NA
20. Carnegie Institute School of Medicine (Lab Science)	ind. tech.	68	1,600-3,270	BEOG	NA
21. Carnegie Institute School of Medical Lab Technology (see #20)	ind. tech.	68	NA	GSL	NA
22. Carney Hospital School of Medical Technology	ind. tech.	NA	NA	BEOG, GSL	NA
23. Carney Hospital School of Anesthesia	R.Cath. tech.	10	NA	GSL	NA
24. Catherine Laboure (School of Nursing)	ind. college	296 (10-74)	NA	Nursing Loan Program	NA
25. Chamberlayne School and Junior College	ind. college		1,820	BEOG, GSL	yes
26. Childrens Hospital School of Radial Technology (program transferred to Northeastern)	ind. tech.	NA	NA	BEOG	NA
27. Childrens Hospital Medical Center School of Medical Technology (no program)	ind. tech.	NA	NA	GSL	NA
28. Childrens Hospital School of Nursing	ind. college	145	NA	BEOG, GSL	NA
29. Coyne Electric and Technical School	prop. tech.	349	1,055-2,735	GSL	NA
30. Emerson College	ind. college	1,672	2,540	BEOG, GSL	yes

Institution	Control and Nature	Enrollment	Published Tuition and Fees ($)	Eligible for Selected Federal Grants/Loans	Published Financial Aid Officers
31. Emery School	prop. tech.	150	NA	BEOG, GSL	NA
32. Emmanuel College	R.Cath. college	968	2,390	BEOG, GSL	yes
33. Faulkner Hospital School of Nursing	ind. college	144	NA	BEOG, GSL	NA
34. Fisher Junior College	ind. bus.	360	1,875	BEOG, GSL	no
35. Forsyth School of Dental Hygenists	ind. bus.		2,550	GSL	no
36. Franklin Institute of Boston	ind. college	953	1,400	BEOG, GSL	no
37. Garland Junior College	ind. college	266	2,100	BEOG, GSL	no
38. Grahm Junior College	ind. bus.	958	2,000	BEOG, GSL	yes
39. Hickox School	prop. tech.	231	NA	BEOG, GSL	NA
40. ITT Technical Institute	prop. tech.	1,148	1,600-4,100	BEOG, GSL	NA
41. Katherine Gibbs School	prop. tech.	561	1,860	BEOG, GSL	no
42. Mansfield Beauty Academy	prop. tech.	188	NA	BEOG, GSL	NA
43. Mass. General Hospital School of Nursing	ind. college	315	2,210	BEOG, GSL	NA
44. Mass. General Hospital School of Radiologic Technology	ind. tech.	20	NA	BEOG, GSL	NA
45. Mass. General Hospital Shepard Gill School of Nursing	ind. tech.	60	NA	BEOG, GSL (only VA in 1971)	NA
46. Massachusetts College of Art	public college	1,324[a]	405 (in-state)	BEOG, GSL	yes
47. Massachusetts College of Optometry	ind. college	283	NA	GSL	no

Institution	Control and Nature	Enrollment	Published Tuition and Fees ($)	Eligible for Selected Federal Grants/Loans	Published Financial Aid Officers
48. Massachusetts College of Pharmacy	ind. college	970	1,845	GSL	yes
49. Massachusetts Radio and Electric School	prop. tech.	240	980-2,014	BEOG, GSL	NA
50. New England Baptist Hospital School of Nursing	ind. college	198	NA	BEOG, GSL	NA
51. New England Conservatory of Music	ind. college	587[a]	3,015	BEOG, GSL	no
52. New England Deaconess Hospital School of Nursing	ind. college	204	857	BEOG, GSL	NA
53. New England Deaconess Hospital School of X-Ray Technology	ind. tech.	NA	NA	BEOG, GSL	NA
54. New England Institute of Industrial Technology (see # 60)		NA	NA	BEOG	NA
55. New England Institute of Embalming	ind. tech.	90-140	1,725	BEOG, GSL	no
56. New England School of Art	prop. tech.	340	1,560	BEOG, GSL	NA
57. New England School of Law	ind. college	868	NA	GSL	yes
58. Newbury Junior College	ind. tech.	1,087	1,475	BEOG, GSL	no
59. Northeast Broadcasting School	prop. tech.	105	1,000-1,400	BEOG, GSL	NA
60. Northeast Institute of Industrial Technology	ind. tech.	703	355-2,255	GSL	NA
61. Northeastern University	ind. college	36,155[a]	2,100	BEOG, GSL	no
62. Northeastern Univ. School of Nursing	ind. college	(see #61)	NA	BEOG, GSL	NA

Institution	Control and Nature	Enrollment	Published Tuition and Fees ($)	Eligible for Selected Federal Grants/Loans	Published Financial Aid Officers
63. Peter Bent Brigham Hospital School of Nursing	ind. college	173	NA	BEOG, GSL	NA
64. Peter Bent Brigham Hospital School of X-Ray Technology	ind. tech.	NA	NA	GSL	NA
65. Perry School at Curry College (incorr. add.)	ind. college	NA	NA	BEOG	NA
66. Radio, Electronic, TV, Inc. (R.E.T.S. Electronic Schools)	prop. tech.	247	3,225	BEOG, GSL	NA
67. School of Museum of Fine Arts	ind. college	922[a]	2,050	BEOG, GSL	yes
68. Simmons College	ind. college	2,804	2,970	BEOG, GSL	yes
69. Suffolk University	ind. college	6,171[a]	1,625	BEOG, GSL	no
70. University Hospital School of Radial Technology	prop. tech.	NA	NA	BEOG, GSL	NA
71. United Technical Institute (incorr. add.)	prop. tech.	NA	NA	GSL	NA
72. University of Massachusetts (Boston)	public college	5,662[a]	358 (in-state)	BEOG, GSL	yes
73. Vesper George School of [illegible]	prop. tech.	169	3,446	BEOG, GSL	NA
74. Wentworth College of Technology	ind. college	276	1,730	BEOG, GSL	yes
75. Wentworth Institute	ind. bus.	602-1,570	1,720	BEOG, GSL	yes
76. Wheelock College	ind. college	928[a]	2,550	BEOG, GSL	no
77. Wilfred Academy of Hair and Beauty Culture	prop. tech.	135	175-975	GSL	NA

Footnotes

[a]Only enrollment figures available. Figure includes graduate, full- and part-time, residential, and extension students.

Sources

Data were obtained from HEW Regional Office; OE/Accreditation and Institutional Eligibility Staff; National Center for Educational Statistics; The College Handbook, College Entrance Examination Board, New York, 1975; and two NCES directories, Education Directory: Higher Education, 1974-75, USGPO, Washington: 1975; and Directory of Postsecondary Schools with Occupational Programs: 1971, Public and Private, USGPO, Washington: 1973.

Although careful attempts have been made, by using current published and unpublished records, to make the data compatible, this information cannot be regarded as absolute.

Abbreviations

ind. = independent, nonprofit status
prop. = proprietary, for-profit status
tech. = technical
BEOG = Basic Educational Opportunity Grant (eligibility for BEOGs indicates eligibility for all campus-based programs, i.e., Supplemental Educational Opportunity Grants, College Work Study Program, and National Direct Student Loans)
GSL = Guaranteed Student Loans
NA = information was not available

EXHIBIT II

Responses of Postsecondary Institutions Included in the Study

Exhibit II. Responses of Postsecondary Institutions Included in the Study.

Institution	Control and Nature	Enrollment	Published Tuition and Fees ($)	Eligible for Selected Federal Grants/Loans	Responses to Inquiry
1. Art Institute of Boston	ind. college	404	4,050	BEOG, GSL	yes
2. Bay State Junior College of Business	ind. college	113-287	1,475	BEOG, GSL	yes
3. Berklee College of Music	ind. college	1,660	2,050	BEOG, GSL	yes
4. Beth Israel Hospital School of Radiologic Technology (transf.)	ind. tech.	NA	NA	BEOG, GSL	yes (program transferred)
5. Beth Israel School of Dental Assistants	ind. tech.	20	1,350	BEOG, GSL	yes
6. Boston Architectural Center (closed)	ind. college	NA	NA	BEOG, GSL	no
7. Boston City Hospital School of Nursing	public college	229	NA	BEOG, GSL	(closed)
8. Boston City Hospital School of Practical Nursing	public tech.	NA	NA	BEOG, GSL	yes
9. Boston City Hospital School of X-Ray Technology (transf.)	public tech.	NA	NA	GSL	yes (program transferred)
10. Boston Conservatory of Music	ind. college	543	2,060	BEOG, GSL	no
11. Boston State College	public college	10,000[a]	389	BEOG, GSL	yes
12. Boston Trade High School for Girls	public tech.	NA	NA	GSL	no
13. Boston University	ind. college	23,581[a]	2,890	BEOG, GSL	yes
14. Boston University School of Nursing	ind. college	702	NA	Nursing Loan Program	no
15. Boston University Sargent College	ind. college	NA	NA	GSL	no

Institution	Control and Nature	Enrollment	Published Tuition and Fees ($)	Eligible for Selected Federal Grants/Loans	Responses to Inquiry
16. Boston VA Hospital School of Medical Technology	public tech.	NA	NA	GSL	no
17. Boston VA Hospital School of Radiologic Technology	public tech.	NA	NA	GSL	no
18. Bryant and Stratton Commercial School	prop. tech.	303-408	1,890	BEOG, GSL	no
19. Burdett School	prop. tech.	113	NA	BEOG, GSL	no
20. Carnegie Institute School of Medicine (Lab Science)	ind. tech.	68	1,600-3,270	BEOG	yes
21. Carnegie Institute School of Medical Lab Technology (see #20)	ind. tech.	68	NA	GSL	incorrect name see number 20
22. Carney Hospital School of Medical Technology	ind. tech.	NA	NA	BEOG, GSL	yes
23. Carney Hospital School of Anesthesia	R.Cath. tech.	10	NA	GSL	yes
24. Catherine Laboure (School of Nursing)	ind. college	296 (10-74)	NA	Nursing Loan Program	yes (incorrect name)
25. Chamberlayne School and Junior College	ind. college		1,820	BEOG, GSL	yes
26. Childrens Hospital School of Radial Technology (program transferred to Northeastern)	ind. tech.	NA	NA	BEOG	yes (program transferred)
27. Childrens Hospital Medical Center School of Medical Technology (no program)	ind. tech.	NA	NA	GSL	yes (no such program operated)
28. Childrens Hospital School of Nursing	ind. college	145	NA	BEOG, GSL	no
29. Coyne Electric and Technical School	prop. tech.	349	1,055-2,735	GSL	no
30. Emerson College	ind. college	1,672	2,540	BEOG, GSL	yes

Institution	Control and Nature	Enrollment	Published Tuition and Fees ($)	Eligible for Selected Federal Grants/Loans	Responses to Inquiry
31. Emery School	prop. tech.	150	NA	BEOG, GSL	yes
32. Emmanuel College	R.Cath. college	968	2,390	BEOG, GSL	yes
33. Faulkner Hospital School of Nursing	ind. college	144	NA	BEOG, GSL	yes
34. Fisher Junior College	ind. bus.	360	1,875	BEOG, GSL	no
35. Forsyth School of Dental Hygenists	ind. bus.		2,550	GSL	no
36. Franklin Institute of Boston	ind. college	953	1,400	BEOG, GSL	yes
37. Garland Junior College	ind. college	266	2,100	BEOG, GSL	yes
38. Grahm Junior College	ind. bus.	958	2,000	BEOG, GSL	yes
39. Hickox School	prop. tech.	231	NA	BEOG, GSL	yes
40. ITT Technical Institute	prop. tech.	1,148	1,600-4,100	BEOG, GSL	no
41. Katherine Gibbs School	prop. tech.	561	1,860	BEOG, GSL	yes
42. Mansfield Beauty Academy	prop. tech.	188	NA	BEOG, GSL	yes
43. Mass. General Hospital School of Nursing	ind. college	315	2,210	BEOG, GSL	yes
44. Mass. General Hospital School of Radiologic Technology	ind. tech.	20	NA	BEOG, GSL	yes
45. Mass. General Hospital Shepard Gill School of Nursing	ind. tech.	60	NA	BEOG, GSL (only VA in 1971)	yes
46. Massachusetts College of Art	public college	1,324[a]	405 (in-state)	BEOG, GSL	no
47. Massachusetts College of Optometry	ind. college	283	NA	GSL	yes

Institution	Control and Nature	Enrollment	Published Tuition and Fees ($)	Eligible for Selected Federal Grants/Loans	Responses to Inquiry
48. Massachusetts College of Pharmacy	ind. college	970	1,845	GSL	no
49. Massachusetts Radio and Electric School	prop. tech.	240	980-2,014	BEOG, GSL	yes
50. New England Baptist Hospital School of Nursing	ind. college	198	NA	BEOG, GSL	no
51. New England Conservatory of Music	ind. college	587[a]	3,015	BEOG, GSL	yes
52. New England Deaconess Hospital School of Nursing	ind. college	204	857	BEOG, GSL	yes
53. New England Deaconess Hospital School of X-Ray Technology	ind. tech.	NA	NA	BEOG, GSL	yes
54. New England Institute of Industrial Technology (see # 60)		NA	NA	BEOG	incorrect name see no. 60
55. New England Institute of Embalming	ind. tech.	90-140	1,725	BEOG, GSL	yes
56. New England School of Art	prop. tech.	340	1,560	BEOG, GSL	yes
57. New England School of Law	ind. college	868	NA	GSL	yes
58. Newbury Junior College	ind. tech.	1,087	1,475	BEOG, GSL	yes
59. Northeast Broadcasting School	prop. tech.	105	1,000-1,400	BEOG, GSL	yes
60. Northeast Institute of Industrial Technology	ind. tech.	703	355-2,255	GSL	yes
61. Northeastern University	ind. college	36,155[a]	2,100	BEOG, GSL	yes
62. Northeastern Univ. School of Nursing	ind. college	(see #61)	NA	BEOG, GSL	no

Institution	Control and Nature	Enrollment	Published Tuition and Fees ($)	Eligible for Selected Federal Grants/Loans	Responses to Inquiry
63. Peter Bent Brigham Hospital School of Nursing	ind. college	173	NA	BEOG, GSL	yes
64. Peter Bent Brigham Hospital School of X-Ray Technology	ind. tech.	NA	NA	GSL	yes
65. Perry School at Curry College (incorr. add.)	ind. college	NA	NA	BEOG	incorrect address
66. Radio, Electronic, TV, Inc. (R.E.T.S. Electronic Schools)	prop. tech.	247	3,225	BEOG, GSL	yes
67. School of Museum of Fine Arts	ind. college	922[a]	2,050	BEOG, GSL	yes
68. Simmons College	ind. college	2,804	2,970	BEOG, GSL	yes
69. Suffolk University	ind. college	6,171[a]	1,625	BEOG, GSL	no
70. University Hospital School of Radial Technology	prop. tech.	NA	NA	BEOG, GSL	no
71. United Technical Institute (incorr. add.)	prop. tech.	NA	NA	GSL	incorrect address
72. University of Massachusetts (Boston)	public college	5,662[a]	358 (in-state)	BEOG, GSL	no
73. Vesper George School of Art	prop. tech.	169	3,446	BEOG, GSL	no
74. Wentworth College of Technology	ind. college	276	1,730	BEOG, GSL	yes
75. Wentworth Institute	ind. bus.	602-1,570	1,720	BEOG, GSL	yes
76. Wheelock College	ind. college	928[a]	2,550	BEOG, GSL	yes
77. Wilfred Academy of Hair and Beauty Culture	prop. tech.	135	175-975	GSL	yes

EXHIBIT III

Time Flow of Responses to Inquiries Mailed November 24

TIME FLOW OF RESPONSES TO INQUIRIES MAILED NOVEMBER 24

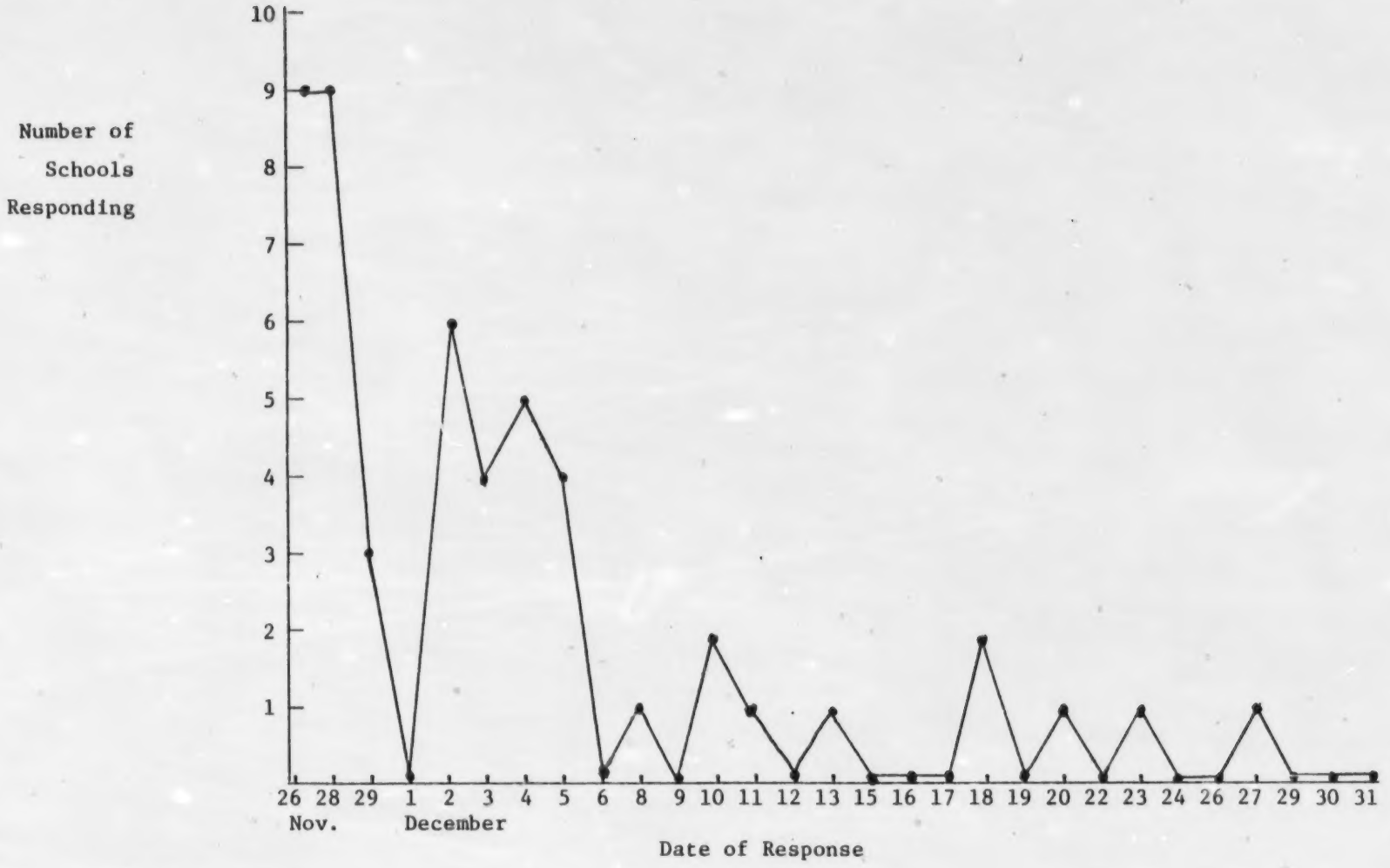

EXHIBIT IV

Federal Student Aid Programs

Focused on Undergraduates

September 1975

FEDERAL STUDENT AID PROGRAMS FOCUSED ON UNDERGRADUATES

GRANTS

Program	House Comm.	Admin. Agency	FY 75 Appro. (Millions)	FY 76 Appro. (Millions)	Institutions Participating FY 75	Students Aided FY 75	Basic Eligibility	Selection Process	Amount Per Student FY 76
Basic Ed Opportunity Grant (BEOG)	Ed & Labor	USOE	$660	$715	5,500	605,000	At least ½ time Undergrad.	To all who apply and meet USOE needs test	Max: $1,400 Min: $ 200 Ave: $ 675 (FY 75)
Supplemental Ed Opportunity Grant (SEOG)	Ed & Labor	USOE	$240	$240	3,252	305,000	At least ½ time Undergrad.	By institution to students with documented need[1/]	Max: $1,500 Ave: $ 697 (FY 75)
State Student Incentive Grants (SSIG)	Ed & Labor	USOE/ States	$20[2/] (States match)	$44 (States match)	45 States 3 Territories	80,000	At least ½ time Undergrad.	State selection based on need criteria	Max: $1,500 Average Award: $500 (FY 75) -- includes State and Federal
Veterans Ed Benefits (G.I. Bill)	Vet. Affairs	V.A.	$3,768	$3,394	11,975	2,434,000	Vet enrolled within 10 yrs. of discharge	No other needs test	$270/month -- more if dependents
Social Security Ed Benefits	Ways & Means	S.S.A. (HEW)	$779	$880	N/A	482,000	18-22 years dependent of S.S. eligible	No other needs test	Several variables determine amount Est. ave: $1,000/ year
Assistance for Indian Students	Ed & Labor	BIA (Interior)	$ 32	$ 32 (HR 8773)	300 (est.)	16,000	¼ Indian blood; home on reservation	By institution. Based on need	From $100 to full support, incl. dependents Average -- $1,750 (FY 75)
Nursing Grants	Interstate and Foreign Commerce	Health Resources Admin. (HEW)	$ 6	$ 4 (HR 8069)	1,225	6,000	Enrolled full-time in approved program	By institution. Based on need	Max: $2,500/yr. $10,000 total Ave: $1,000 (FY 75)
Law Enforcement Education (Grants and Loans)	Judiciary	LEAA (Justice)	$ 45	$ 40	1,036	100,000 (est.)	Enrolled in undergrad. or grad. program approved by LEAA	By institution. Not based on need.	Loan Max: $2,200/yr. Grant: $ 400 per semester
ROTC Scholarship	Armed Services	DOD	$ 25 (FY 74)	In committee	383 (FY 74)	19,000 (FY 74)	At least 17 yrs. old and desire a career in the armed forces	National competitive basis	Amount varies depending upon tuition, books, and fees of particular school attended.

	Program	House Comm.	Admin. Agency	FY 75 Appro. (Millions)	FY 76 Appro. (Millions)	Institutions Participating FY 75	Students Aided FY 75	Basic Eligibility	Selection Process	Amount Per Student FY 76
WORK STUDY	College Work Study (CWS)	Ed & Labor	USOE	$420	$390	3,154	560,000	At least half-time undergrad. or grad.	By institution to students with documented need[1/]	Ave: $481 (FY 75)
LOANS	National Direct Student Loan (NDSL)	Ed & Labor	USOE	$ 329	$ 332	2,810	680,000	At least half-time undergrad. or grad.	By institution with documented need[1/]	Max: $2,500 for first two years; $5,000 max. for undergrad.; $7,500 max. incl. both undergrad. and grad. Ave: $438 (FY 75)
LOANS	Federally Insured Student Loan (FISL)	Ed & Labor	USOE	Subsidies: $ 382 Defaults: $ 197	Subsidies $ 452 Defaults: $ 202	19,000 Lenders	600,000[3/] (FISL only) 470,000 (GSL)	At least half-time undergrad. or grad.	Student finds lender; school documents enrollment status and ed costs	Max: $2,500/yr. with $7,500 total max. for undergrad.; $10,000 max. incl. grad. Ave: $1,311 (FY 75)
LOANS	Nursing Loans	Interstate and Foreign Commerce	Health Resource Administration (HEW)	$ 23	$ 9 (HR 8069)	1,151	28,500	Enrolled full-time in approved program	By institution. Based on need.	Max: $2,000/yr. Ave: $ 800 (FY 75)
LOANS	Veterans Ed. Loans	Vet. Affairs	VA	$ 80.3	$ 71.5	11,975	142,500	Vet. enrolled within 10 yrs. of discharge	No other needs test but must not have been able to secure a loan elsewhere	Max: $ 600/yr. Ave: $ 550 (FY 75)

1/ Most schools use one of two national services to determine "expected" family contribution.
2/ In FY 75, States spent $457 million on State scholarships; $20 million matched by Federal funds.
3/ 24 States use direct Federal insurance; the others have their own State guarantee agency for loans which the Federal government reinsures at 80%. These State agencies serve an additional 470,000 students.

Source: Prepared from data supplied by appropriate agencies.

EXHIBIT V

VISITOR

NORTHEAST INSTITUTE OF INDUSTRIAL TECHNOLOGY
Executive Offices
41 PHILLIPS ST., BEACON HILL
BOSTON, MASS. 02114

THE BEARER OF THIS CARD IS ENTITLED TO PARK FREE OF CHARGE AT THE CHARLES RIVER PLAZA GARAGE AT THE HOLIDAY INN, CAMBRIDGE ST., BOSTON ON---

DEC 20
Date

NO 7331

IMPORTANT: Bring the parking ticket that is issued by the garage to the Insitute to be validated. See enclosed map showing the location of garage.

Authorized by GEORGE B KRAMER

12/13/75

Appointment

Dear Mx. Miss Willett:
I have reserved the following time for your appointment to visit the School.

Saturday, December 20 at 10 a.m.

Please bring this appointment card with you and present it at the Reception Desk.

If for any reason, you will be unable to keep this appointment please note the time and date you will be able to come into the school for an interview and return the card as soon as possible.

Date _____ Time _____

Appointment with George B. Kramer

NORTHEAST INSTITUTE OF INDUSTRIAL TECHNOLOGY
Executive Offices
41 PHILLIPS ST., BEACON HILL
BOSTON, MASS. 02114

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